

NON-PROFIT ORG.
U.S. POSTAGE
PASADENA, CA
PERMIT No. 100

Huntington Hospital
Huntington Memorial Hospital
100 West California Boulevard
P.O. Box 7013
Pasadena, CA 91109-7013



md ▶ CONNECT

A Newsletter for Huntington Hospital Physicians

ORTHOPEDIC SURGERY AND SPINE SUB SERVICE LINE COST REDUCTION

We know how important it is to make sure that we are an efficient organization. With the rising prices of supplies, we felt it was imperative to evaluate the areas in which we have the opportunity to reduce costs. The two areas of focus include orthopedic surgery and the spine sub service line. A separate project conducted by the Six Sigma Black Belts has been assigned to each.

Communication was made with all surgeons; however key physicians were selected as sponsors of each project. Each sponsor was asked to be a part of

the decision making process to ensure good teamwork between administration and physicians. Dr. Todd Dietrick and Dr. Paul Gilbert represent the physician sponsors of the ortho project and Dr. William Caton, Dr. Ian Ross, and Dr. Benjamin Pradhan represent the spine sub service line project.

Working together, all pertinent information was gathered and analyzed in an attempt to achieve the goal of each project. The goal of the ortho project was to reduce costs by \$1M in 2008. Huntington's Six Sigma team, with the full support from the orthopedic surgeons, has realized an estimated savings of \$1M as of October 2008 in total hip and knee replacements. This was accomplished by reviewing Huntington's hip and

(continued on next page)

Huntington Hospital

Winter 2008

Hospital Initiative to Improve Coding Accuracy

In November 2007 Huntington Hospital launched a Six Sigma project looking at coding accuracy. Coding is an art, and requires thorough clinical documentation to accurately interpret and code the clinical condition of patients. In the initial phase of this project the focus was on reducing variation and improving accuracy among the coders. Through education, institution of post-discharge physician query, and automated internal auditing, the HIS Department was able to improve accuracy and capture additional revenue based on more accurate reflection of the patient condition. The first phase was completed in April of 2008.

Phase two was launched in June of 2008. This phase focused on improving physician documentation. Comparisons to other like institutions demonstrated that Huntington Hospital measures of severity of illness (SI) and risk of mortality (ROM) are lower than expected. It is important to note that coders may not code from diagnostic information or

(continued on next page)

OR Turnover Time

Our Lean Six Sigma Black Belts are working on several projects which address process improvement. One project that is at the top of their list is OR Turnover Time. It has been noted that variability in processes causes inconsistent OR turnover, which can create delays in some of the cases. The project goal is to improve turnover time by reducing variability/outliers from 50% to 20% in order to increase customer satisfaction. Look for further updates in upcoming issues of MD Connect.

In our next issue of MD Connect:

- ICU/DOU Throughout
- Neurosurgery cost reduction update
- OR turnover time

Orthopedic Surgery (continued from page 1)

knee implant pricing by vendor and moving to obtain the best pricing. The success of the project is a direct result of the ortho surgeons' support which were headed by the two ortho champions Dr. Todd Dietrick and Dr. Paul Gilbert.

The goal of the spine sub service line is to reduce costs by \$2.6M. This will be accomplished by reviewing vendor pricing on all spine sub service line products. Currently we are in vendor negotiation with the hope that we can see a cost reduction as early as the first quarter of 2009.

The ortho project has a first year projected financial impact of approximately \$1.2M in savings. The spine project is still currently underway with a projected financial impact to be determined.

Hospital Initiative (continued from page 1)

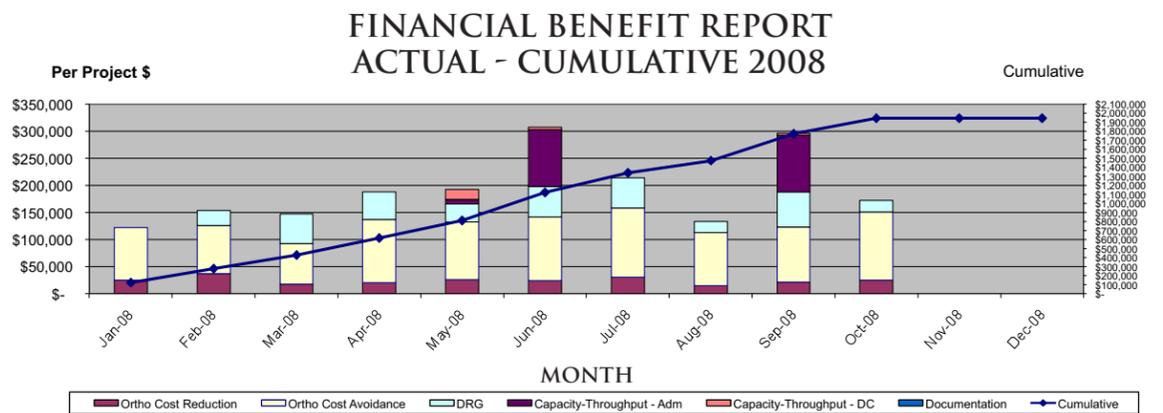
from documentation provided by clinicians other than physicians. Chart analysis beyond what coders are able to code demonstrated that, in fact, SI/ROM measures are higher and show a sicker population than what is documented by physicians on the medical record. Our Six Sigma team found that physicians routinely document using clinical terms versus diagnostic terms. Coding rules allow only diagnostic terms to be coded. See the table below for examples.

Diagnostic Statement	Clinical Statement
UTI	Dysuria, urine culture positive, will treat with antibiotics
Hypertension	Elevation of blood pressure to 200
Cellulitis	Wound red and indurated, IV antibiotics given
Sepsis; acute peritonitis	Fever to 102 S/P appendectomy; patient pancultured, IV antibiotics given

We understand that this is a major shift in documentation practice for physicians. In order to assist in this transition, and to maintain improved accuracy in reflection of patient acuity, the hospital has provided specially trained nurses who will review physician documentation, and concurrently query physicians when opportunities to clarify clinical documentation exist. These nurses report to Edna DeLeon, Director of Quality Management and have a strong clinical background in Critical Care, Emergency Department and/or Case Management. The Clinical Documentation Improvement Program officially began in December of 2008.

In partnership with our medical staff, we believe that this program will assist both the hospital and physicians. Accurate reflection of patient acuity and risk of mortality translates to improved clinical outcome ratings as well as increased and appropriate reimbursement from DRG based payers.

This chart details cost savings achieved to date in the area of orthopedics, accurate coding for DRG's (as a result of Six Sigma projects referred to on page one), and capacity and throughput. As data comes in from our spine sub service line cost reduction initiative, it will be reflected on this chart in future issues of *MD Connect*.



MEET THE HUNTINGTON HOSPITAL ADMINISTRATIONS



Stephen Ralph – President & CEO



Scott Cebula – VP, Information Services & Chief Information Officer
Scott oversees the clinical informatics and shared information services departments. When a computer issue arises, you can count on his team to be there to assist.



Jane Haderlein – VP, Development/Philanthropy & Public Relations
Jane is our fundraising expert. Her team is responsible for raising money for Huntington and assisting our donors. She also oversees community outreach activities.



Bonnie Kass – VP & Chief Nursing Executive
Bonnie is our nurse clinical specialist. She is in charge of several departments, including the ED, surgical services, critical care, OB/Peds., Med./Surg., and psychiatric services. Any nursing issues are also tended to by Bonnie.



Bernadette Merlino – VP, Service Line & Ambulatory Development
Bernadette oversees our major services lines, which include cancer, cardiovascular, neurosciences, and radiology. Business development and marketing functions report to her as well.



James Noble – VP, Finance & Chief Financial Officer
Jim's area of responsibility encompasses the following: finance, managed care, purchasing, medical records, risk management, and utilization management.



Debra Tafoya – VP, Clinical Support Services
Debbie's team is responsible for the following: food services, housekeeping, patient transport, linen services, blood donor center/lab., pharmacy, rehabilitation services, and occupational/employee health.



Paula Verrette, MD – CMO, VP, Quality & Performance Improvement
Dr. Verrette oversees quality management, infection control, patient safety, performance improvement, The Joint Commission, clinical research, graduate medical education, health science library, medical staff, and the Six Sigma initiative.



Chris Williams – VP, Facilities & Construction
Chris manages construction management, plant operations, safety, security, parking, and clinical technology.